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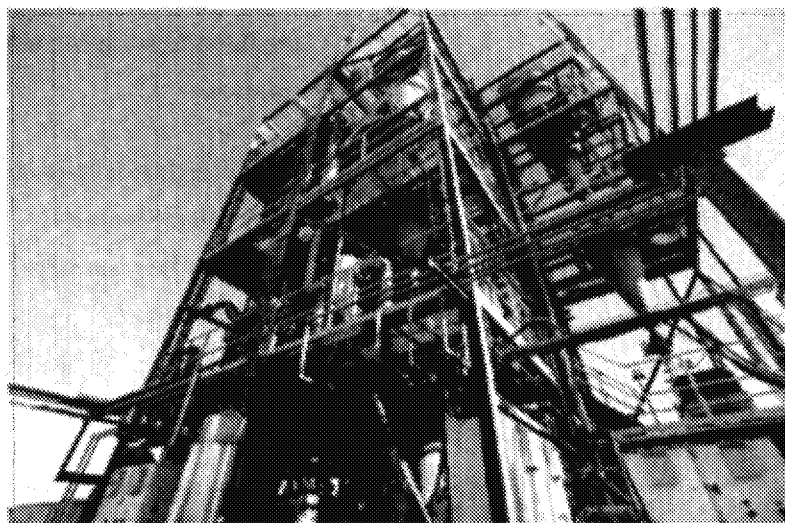
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Why Silicon Valley startup Monolith expanded to Lincoln, Nebraska

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A Monolith pilot plant. Photo courtesy of Monolith Materials.

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Monolith Materials, a Silicon Valley industrial tech startup, announced plans about a year ago to build a carbon black manufacturing plant near

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Lincoln. This week the company upped the ante by stating its intent to locate its manufacturing headquarters in Lincoln.

"We're taking it a step further," said co-founder and Chief Commercial Officer Rob Hanson during a news conference at FUSE Coworking.

"Monolith will locate our manufacturing division in Lincoln. We'll be hiring 50 people and investing roughly \$50 million in the next 18 months."

Long term, Monolith sees the potential to create 600 new jobs and invest hundreds of millions of dollars in Nebraska as they develop the first large-scale carbon black plant in the U.S. in over 30 years.

"Right now, we're a California company with a development division in Nebraska," Hanson said. "In two years, we'll be a Nebraska company with R&D in California."

Carbon black is a commodity material used in tires, ink and electronics. Monolith's proprietary manufacturing process uses natural gas instead of oil as a feedstock.

"Using natural gas instead of oil allows us to be economically competitive," Hanson said. "And it produces 90% fewer emissions, so it has an environmental advantage."

One key factor in the decision to locate near Lincoln is Monolith's partnership with the Nebraska Public Power District. NPPD plans to convert a generator at their Sheldon Station near Hallam south of Lincoln to produce electricity using hydrogen, a byproduct of the carbon black manufacturing process.

"We were looking for a partner to co-produce, and NPPD was willing to be forward-looking," Hanson said.

Why Nebraska

In an interview with SPN following the news conference, Hanson talked about the process of deciding to locate in Nebraska.

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"Almost two years ago, our board directed us to find the right place to build a world-scale facility," Hanson said. "It was a twelve-month process."

The Nebraska Builder Initiative launches this week at Gallup's Riverfront Campus

Monolith looked at several states and a Canadian province for the right location.

"We used a whole bunch of filters like infrastructure, work force and a co-production partner," Hanson said. "We got down to a list of 2 or 3, and when you added up the criteria they were equal."

So what tipped the scales toward Nebraska?

"What tipped it were the intangibles," Hanson said. "Values, work ethic, the culture we could build."

Hanson said there were no prior connections to the state or the community.

"When we first came to Nebraska, we didn't even know it existed," he said. "Lincoln's got a great culture and a great group of people."

Hanson feels that adding a manufacturing company to the local mix of startup companies will help the ecosystem.

"A fun and interesting thing we bring is a manufacturing tech startup," he said. "We love software, but we think having a more diverse mix of startups will be good."

The Silicon Prairie swagger

Hanson is bullish on the future of technological innovation within the region.

"It isn't Silicon Valley, but it's on its way," Hanson said. "Like Steve Case, my partners and I don't believe innovation and technology should only happen in a 50 square mile section of California. Innovation should be happening everywhere."

Hanson added that people are people, and education systems across the country are fairly comparable.

“What Silicon Valley has—and Lincoln is starting to get—is entrepreneurs that have swagger,” he said. “Even though what they’re trying to do is crazy, they’ve seen crazy ideas succeed. They believe, they try, and they act in a way that many of them make it.”

Local success stories demonstrate that it can happen here.

“People see the Hudl story, building it and growing it here,” Hanson said.

“That gets into the culture. There’s going to be some big successes coming out of the city in the next 5 to 10 years.”

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Rod Armstrong is Vice President of Strategic Partnerships for AIM in Lincoln, Nebraska. He is a regular contributor to Silicon Prairie News.